

## **ABSTRACT**

The present invention is a system and method combining financial product innovation, business process management, and proprietary software integration in a holistic fashion for the funding, trading, processing and management of commercial accounts receivable.

The invention opens up a new asset class for dynamically traded investment on an exchange for primary, secondary, and distress markets.

On the 'sell' side of the exchange, merchants will offer their daily receivables. On the 'buy' side, investors, typically of an institutional nature, will be able to bid on lots of accounts receivable, which will be combined with credit enhancement features in order to mitigate the risk of investment. The present invention promotes liquidity and pricing efficiency by facilitating an end-to-end dynamic trading process. In addition, the exchange operator will also serve as a business process outsourcer, managing the accounts receivable process for the assets that trade through its exchange.